BC Partners in Enterprise

Ministry of Municipal Affairs

Hon. Bill Ritchie
Minister

Economic Development Strategy Manual

Economic Development Strategy Manual

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PREFACE

PREFACE

The MacDonald Commission (Royal Commission on the Economic Union and Development Prospects for Canada), made it very clear that local governments have a much greater role to play in influencing the economy, locally, provincially and nationally.

Current economic conditions have caused this re-examination of the role of local governments. Municipalities are in a very good position to plan for and stimulate economic growth.

Who better knows the strengths and weaknesses of the community? Who better knows of local opportunities? Who is the strongest supporter of the community? Who better but local government?

Politically, local governments are closer to local people and are better able to adopt policies which are in harmony with local objectives and conditions.

More practically, what local governments do on a day-to-day basis can have a very significant effect on economic development. Positive action can create the environment in which development can take place.

The application of the economic development tools available to local governments must be allocated according to a plan.

The Ministry of Municipal Affairs has developed this manual to help communities prepare their plan, called an **ECONOMIC DEVELOPMENT STRATEGY.**

HOW TO USE THIS MANUAL

HOW TO USE THIS MANUAL

This manual covers the subject in detail. Each municipality will, of course, formulate a strategy in its own particular way. Therefore, read this manual through as a book, then tailor the process to suit your needs. Remember, a strategy is a game plan for community economic development.

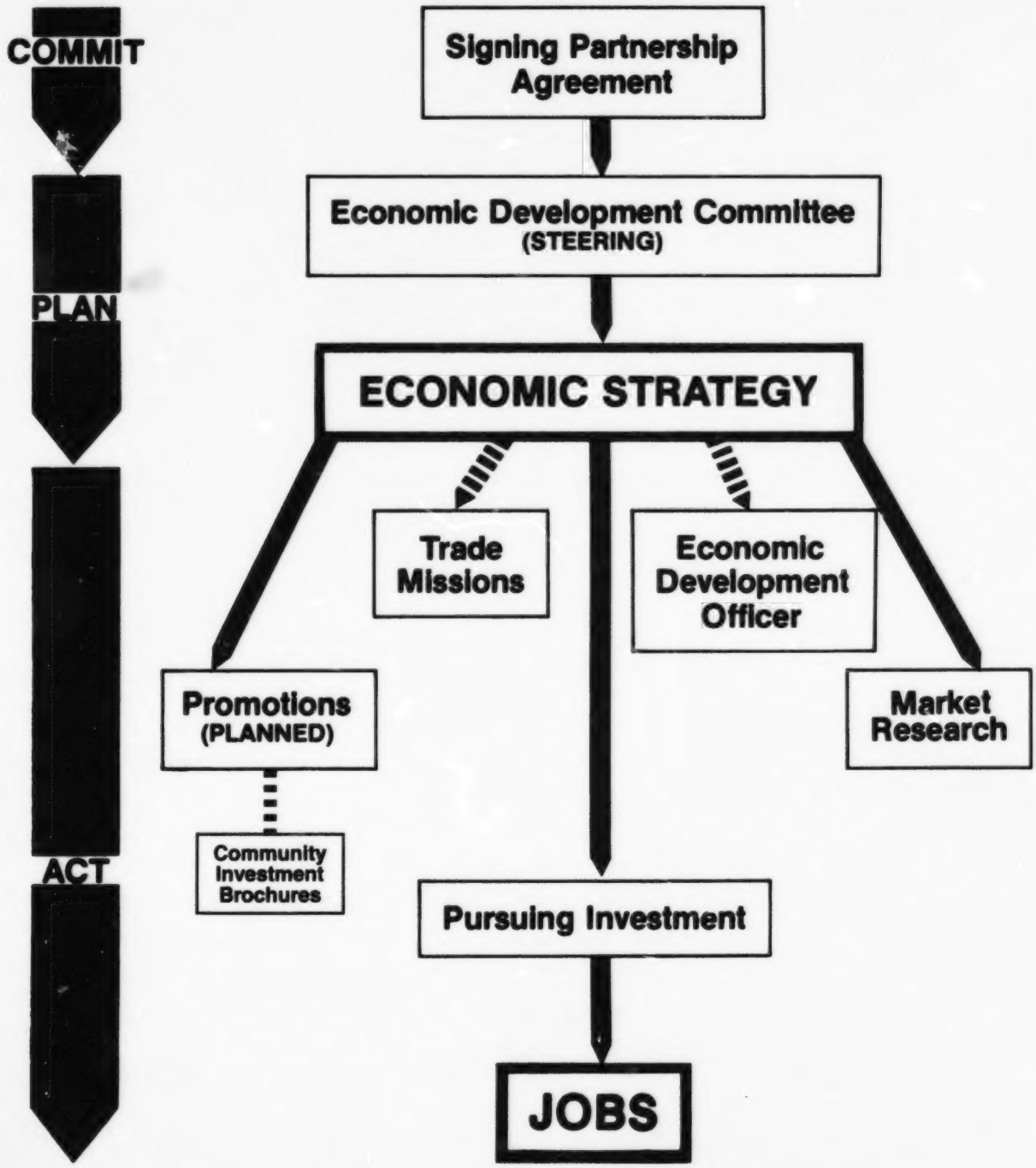
* It defines strengths
* It points out weaknesses
* It poses ways to improve those weaknesses
* It is intended to strengthen the future of the community

ABOVE ALL IT IS A WAY TO FOSTER COMMUNITY INVOLVEMENT AND RAISE THE LEVEL OF ACTIVITY AIMED AT ECONOMIC DEVELOPMENT AND JOB CREATION.

The manual is divided into five major parts.

PART ONE:	Introduces the Economic Development Strategy and why it is needed.
PART TWO:	Explains the structure required to achieve an Economic Development Strategy and answers likely questions.
PART THREE:	Explains the process and the tasks necessary to formulate an Economic Development Strategy. Each task is presented with the purpose, the necessary steps, and time frames. It also explains how to put the strategy document together.
PART FOUR:	Provides basic information sources to help "sell" the community's advantages.

THE PARTNERSHIP PROCESS



PREPARING THE ECONOMIC DEVELOPMENT STRATEGY

1 **COUNCIL** INITIATES ECONOMIC DEVELOPMENT STRATEGY

2 **COUNCIL** ESTABLISHES **STEERING COMMITTEE (SC)**

3 **SC** MEETS WITH **COUNCIL & MUNICIPAL STAFF**

4 **SC** ESTABLISHES AREAS OF REVIEW AND **ESTABLISHES PROJECT TEAMS (PT)**

5 **SC** & **PT'S** REVIEW AVAILABLE INFORMATION **AND GENERATE BROAD OBJECTIVES**

6 **PT'S** CONDUCT INTERVIEWS

7 **PT'S** DOCUMENT INTERVIEWS AND CONCLUSIONS

8 **SC** & **PT'S** BUILD CONSENSUS

9 **SC** WRITES DRAFT

10 **SC** & **PT'S** REVIEW AND AMEND DRAFT

11 **SC** PRESENTS AMENDED DRAFT TO **COUNCIL**

12 **COUNCIL** REVIEWS DRAFT

13 **SC** REWRITES DRAFT

14 **COUNCIL** APPROVES DRAFT

15 **COUNCIL** PRIORIZES ACTION RECOMMENDATIONS

16 **COUNCIL** INITIATES ECONOMIC DEVELOPMENT PROJECTS

PART ONE: INTRODUCTION

INTRODUCTION

1.1 WHAT IS A MUNICIPAL ECONOMIC DEVELOPMENT STRATEGY?

The Economic Development Strategy is a written summary of the economic development activity the municipality hopes to accomplish and how this is to be done. It provides direction and a framework for your community in its attempts to achieve growth in employment, investment, income and wealth.

Economic growth for your community can occur in three ways:

- existing businesses will diversify or expand
- small new businesses will start
- large new businesses will start

For most communities, almost all economic growth will involve the first two; it is, therefore, advisable to give special attention to them.

1.2 WHY IS A STRATEGY NEEDED?

The Economic Development Strategy provides specific direction, coordination, goals that are quantifiable, and projects that will ensure your objectives are achieved in the most effective manner.

There are three aspects to the strategy:

- the document itself
- the process of preparing it
- the links between the strategy and municipal policies or programs

The strategy document takes into account:

- current strengths and weaknesses of the community
- economic objectives for the future
- marketing the community, both internally and externally
- targeting key sectors within and outside the municipality for support by the municipality
- projects that will be required to achieve the objectives
- ongoing programs required to sustain the objectives
- organizational structure and management system required to implement, control, and evaluate the strategy

The process of preparing the strategy will include:

- statistical analysis
- field work
- interviewing representatives of employers, the real estate and development community, organizations, economic sectors and government agencies
- identifying and solving problems
- building consensus
- writing the strategy
- making presentations

The links between the strategy and other municipal policies and programs are vital. Therefore, the strategy's content must be aligned with:

- the community's plan
- zoning by-laws
- the capital works plan
- the annual budget
- municipal grants to organizations
- specific projects such as Downtown Revitalization, heritage projects and Communities Futures projects

These individual policies or programs should be components of an overall comprehensive strategy for guiding the municipal corporation and the community's future.

Local governments have plenty of tools and resources necessary to facilitate or enable economic development: comprehensive planning, regulation, financing, service provision, coordination, information and leadership. A thoughtful well-planned use of these tools can facilitate development.

Here are some of the ways in which a municipality can support economic development. All of them have an impact in your community's attractiveness as a location for new business, or for existing businesses to expand. The trick is to start seeing them as tools for economic growth and then to use them that way.

Tools for Economic Development

Community Services:

- police and fire protection
- education
- solid waste collection
- environmental protection
- health and social services
- consumer protection
- recreation and cultural affairs
- water and sewer systems
- street systems
- mass transit
- schools
- parks

Planning Policies:

- industrial
- commercial
- housing

Financial Policies:

- tax rates
- tax incentives
- tax relief

Regulatory Policies:

- zoning
- subdivision regulations
- housing and building codes
- occupational credentials

Administrative Policies:

- financial practices
- procurement policies
- licensing procedures
- permit procedures
- inspection procedures

Leadership and Coordination:

- public advocacy
- public recognition and honours
- lobbying other levels of government
- advocacy on specific issues
- inter-governmental coordination

Promotion:

- direct contact
- print
- video, film
- media relations
- government relations
- tours, reception, official days, etc.

PART TWO: DRIVING THE PROCESS

DRIVING THE PROCESS

2.1 MUNICIPAL COUNCIL

Council involvement in the process of formulating an Economic Development Strategy is critical. The process will founder unless there is a strong political desire to improve the municipality's economic development prospects.

Strong political commitment and leadership is particularly important when the strategy identifies the need for change in municipal attitudes and priorities.

Responsibilities of the Council include:

- passing a resolution to prepare an Economic Development Strategy
- delegating responsibility for the preparation of the strategy
- establishing an annual budget for economic development efforts
- ensuring the availability of an adequate land supply
- designing supportive, efficient land use and development regulation
- setting property taxes and other charges at appropriate levels
- running an effective promotional program and providing good quality information
- making the community attractive
- working with individual businesses to find locations, obtain approvals, attract funding, make contacts
- tapping senior government funds
- trying to influence senior government policies and programs

Additional responsibilities that Council may wish to undertake:

- direct involvement in preparing or directing the preparation of the Economic Development Strategy
- direct involvement in implementing specific tasks in the strategy

2.2 PROJECT STEERING COMMITTEE

The group responsible for the Economic Development Strategy is the **STEERING COMMITTEE.**

The Steering Committee should be appointed by Council.

The Steering Committee directs a second group called the **PROJECT TEAM** which carries out the steps necessary to establish a strategy - more about the Project Team in a moment.

2.3 WHO MAKES UP THE STEERING COMMITTEE?

The Steering Committee should be made up of representatives from Council and the local community, including Chambers of Commerce or other business organizations, major employers, labour, community colleges or other educational institutions, social agencies, and government organizations.

This group should be between six and ten persons.

2.4 WHAT ARE THE STEERING COMMITTEE'S RESPONSIBILITIES?

The Steering Committee's responsibilities are as follows:

- to generate interest and commitment to the strategy
- to ensure that community interests can contribute to their goals, aspirations, and perspectives on economic development
- to review the results and recommendations that arise
- to act on the recommendations
- to act as liaison between the Project Team, the Municipal Council and its citizens; and
- to receive the draft strategy and suggest to the Project Team appropriate modifications

2.5 WHAT IS THE PROJECT TEAM AND WHAT DO THEY DO?

The Project Team is a voluntary multi-disciplinary team drawn from the community. They carry out the **TEN TASKS** outlined later in the manual.

The Project Team takes direction from the Steering Committee and meets with them at key points throughout the exercise. The public is invited to attend whenever possible.

The size of the Project Team will depend on the resources available in the community, but the average size will be from eight to ten.

The members of the Project Team will be energetic, self-motivated and very capable of working with others. They should have some familiarity with constructing a business plan, and it will help if some members of the team have experience in finance, project management, marketing and personnel management. While these skills are desirable they are not critical to developing a sound strategy.

The Project Team will carry out a first rate project if they use this manual and other material and assistance provided by the Provincial Government (outlined at the end of this manual).

2.6 EXISTING ORGANIZATIONS

If there are other organizations already involved in economic development, it is very important to ensure that municipal efforts are complementary, constructive and not duplicated.

The municipality should also be aware that its decision to become actively involved in economic development might be perceived as implying that these organizations have not been doing a good job. Therefore, good communications are very important in keeping all parties informed.

2.7 THE PUBLIC

The public should be involved in a number of ways through:

- open meetings during strategy preparation
- press releases and conferences
- citizen presentations as the strategy progresses

Before starting the process ensure that:

- Council's commitment to implement the strategy and clear authorization to proceed are publicized.
- a crisp delineation of the responsibilities of all participants is understood.
- a decision on how and when to involve the community at large is made.
- there is a willingness to be objective and realistic, open to receiving constructive criticism, frank in providing constructive criticism and receptive to new ideas.

PART THREE: THE PROCESS

THE PROCESS

3.1 THE TEN TASKS

There are ten tasks to be carried out in producing your strategy. These tasks are the responsibility of the Project Team unless otherwise stated.

A core group is necessary to ensure continuity. However, you may wish to have several secondary groups that will work on specific functions in order to complete the necessary projects. For instance, interested persons may work on a project about tourism, while others may wish to work on recreation. Flexibility is important to complete the work and to keep people interested.

The timeframe for completing the tasks is about 12 weeks; less than this may result in a lack of community involvement, and not enough time to think through the process; longer may result in losing momentum.

TASK ONE: LAUNCHING THE PROJECT

Start: Beginning of Week One
Finish: End of Week One

Purpose:

- to build necessary political support
- to establish a reporting relationship with the Steering Committee and Council

Steps:

a) Meet with the Mayor and the Municipal Administrator to confirm the project's objectives and receive their initial ideas on the community's strengths, weaknesses, target sectors and other information they feel is valuable.

b) Similarly, meet with the aldermen and the Steering Committee in groups of two to get their ideas and record them; an hour with each group should be sufficient.

c) Compile the ideas and opinions into a brief report for the Steering Committee and make it available to those that contributed the initial interviews. It is not necessary to identify the individual's name with the recorded ideas.

d) Ask the Administrator to arrange a meeting with Council, the Steering Committee, the invited public, the local media and any other organizations interested in economic development.

e) At the meeting describe the process and discuss its merits, what the community has to offer, and the initial report of ideas and opinions.

f) Seek agreement and support of the need for a strategy.

g) Establish broad economic objectives.

h) Confirm the date for the next meeting with the Steering Committee.

Tips:

- Encourage questions at the meeting.
- Use flip charts to record and present ideas in a highly visible manner.
- Stress the need for active participation by members of Council, the Steering Committee and the public.
- Develop the strategy as you would a business plan.
- Set goals and objectives, determine priorities, develop strategies, assign work, and budget.

TASK TWO: ASSESSING YOUR COMMUNITY'S RESOURCES

Start: Beginning of Week One
Finish: End of Week Two

Purpose:

- to gain in-depth knowledge of your community's make-up and its economy by gathering various data

Steps:

a) Request of the Administrator:
   - the Community Plan
   - the Community Profile (see Community Economic Development Manual)
   - census data
   - tax base information and tax rates, charges and fees
   - building permit data
   - population projections
   - land inventory
   - previous studies, i.e. feasibility studies, etc.
   - annual reports, and
   - any reports or newspaper articles which had an impact on the municipality

b) Review the data and assess the community's strengths and weaknesses. Use the following check-list to help with your assessment:

   * Is inexpensive serviced land available for expansion of existing businesses or for new growth? Identify.

     yes____ no____

   * Is there a trained and stable labour force in your community? Are their wage expectations realistic? Is there a healthy relationship between labour and management?

     yes____ no____

* Are training opportunities available? Identify.

yes_____ no_____

* Is there access to a diverse transportation network, including rail, truck, air and water? Identify.

yes_____ no_____

* Is the community easily accessible by car?

yes_____ no_____

* Are there large markets for goods produced in the area? Identify.

yes_____ no_____

* Are there cultural, social and recreational features that would attract and retain professionals and managerial persons? Identify.

yes_____ no_____

* Do public officials have a positive attitude towards economic development? Be frank.

yes_____ no_____

* Do financial institutions have a positive image of the community? Be frank.

yes_____ no_____

* Are municipal tax rates, charges, fees and regulations reasonable?

yes_____ no_____

* Is there adequate affordable housing? Identify.

yes_____ no_____

* Are there "risk takers" in the community that have connections to pools of capital? Identify.

yes_____ no_____

* Are there organizations already in place to pursue economic initiatives? Identify.

yes_____ no_____

* Do these groups work well together? Be frank.

  yes____ no____

* Is the community physically attractive to tourists and potential investors? Be frank.

  yes____ no____

* Is the infrastructure (sewers, roads, utilities, etc.) able to support growth?

  yes____ no____

The collected material and this review will help describe your community's economic situation and it's strengths and weaknesses.

Tips:

- Be frank, do not gloss over the truth.
- File the data: classify and organize the data as you proceed.
- Set up files for each of the major chapters of the strategy, with particular emphasis on strengths and weaknesses with explanations on why they are as such.

TASK THREE: INTERVIEWING COMMUNITY LEADERS

Start: Beginning of Week Two
Finish: End of Week Five

Purpose:

- to interview community leaders in order to:

  a) expand knowledge of the community's strengths and weaknesses.

  b) establish broad objectives.

  c) generate ideas.

  d) gain understanding and acceptance of the strategy by those interviewed and those they have contact with.

Steps:

a) Ask each council member for 5 to 15 names of people that they think represent and influence the community.

b) Assemble a list of 50 to 100 names of citizens that represent a good cross section of the community (60% business, 40% other segments).

c) Establish a one week period for interviewing.

d) Divide the list among Council members and ask them to phone those on their list explaining the purpose of the interviews and requesting their participation in the process.

e) Ask the Administrator to send, preferably under the Mayor's signature, an informational letter about the process and an interview schedule to those who agreed to participate.

(See Sample Letter)

f) Conduct the interviews in groups of seven or eight with a council member introducing the topic and listening to the discussions.

g) The Project Team representative(s) conducts a broad open-ended discussion on the groups perceptions of the community's strengths and weaknesses, opportunities, their vision for the area and specific ideas for the project.

h) Document the results. Use brief notes to gather the information and file it in the appropriate file folders.

Tips:

- At the beginning of each interview, set the tone by stating that the purpose of the interview is to collect ideas in a relaxed and friendly manner. Let the discussion flow but keep it focused on the objective.

- Be specific. Challenge the interviewees to be clear and specific and question the practicality of the ideas in a non-threatening manner.

- Always work toward consensus.

TASK FOUR: INTERVIEWING OUTSIDE THE COMMUNITY

Start: Beginning of Week Four
Finish: End of Week Five

Purpose:

- to obtain additional points of view from those that have regular contact with your community
- to generate ideas for economic development
- to begin the process of talking to potential investors from outside the community

Steps:

a) Identify at least five (5) persons who represent:

- different levels of government
- area associations
- major employers that might consider locating in your community

b) Conduct individual interviews as with citizens and ask for any data or studies that they may have access to and would be of value to this process.

c) Meet with the Steering Committee to present the data obtained from both inside and outside groups. Together assess the data paying attention to the strengths and weaknesses that have been identified. Are the results of the interviews with both groups similar? Are there major points that the groups differ on? Discuss the data as thoroughly as possible and try for consensus on what the data indicates.

Tips:

- Your Economic Development Strategy will be influenced by government at one or more levels; to minimize the chances of conflict and misunderstanding be familiar with the rationale and operation of government activities that could have an affect on your community's plans.

- Get to know government personnel and keep them informed on the progress you are making. Ask them for assistance when you feel it is necessary.

- When meeting with the Steering Committee, use graphic techniques, including slides, overheads and flip charts.

TASK FIVE: ESTABLISHING ECONOMIC OBJECTIVES AND A DESIRED FUTURE

Start: Beginning of Week Six
Finish: End of Week Six

Purpose:

- to establish some broad objectives for economic development
- to establish a vision of the community's future

Steps:

a) Decide which area will get priority attention: attracting new investments; preserving what exists; or helping the expansion of existing enterprises.

b) From the data collected and the ideas and opinions offered by all those that contributed to this point, construct a vision of the desired future for the community. The vision at this point is a set of objectives that have not been quantified or placed in a timeframe.

An example of a "vision" might look like the following:

- to diversify the local economy and lessen its dependence on large projects
- to add another major and stable employer to the area
- to provide more job opportunities for the youth of the community
- to increase the industrial and commercial tax base and shift more of the tax burden away from the residential taxpayer
- to provide profitable investment and business opportunities for citizens that might otherwise leave
- to more aggressively realize the potential of the area for tourism

- to accomplish the above without detracting from the excellent quality of life in the community

Tips:

- Recognize the need for a "vision". It is a focus for community involvement. The more sharply defined the vision, the better your chances of conveying it to others and enlisting their help.

- Recognize trends. The majority of new jobs created in the next decade will come from small to medium-sized enterprises. Focus on the establishment or expansion of small to medium-sized operations which are more likely to consider investment and create new job opportunities.

- Focus within the community. 80% per cent of new economic activity comes from within a given municipality rather than other areas. Therefore, the existing pool of entrepreneurial talent needs assistance and requires barriers to be removed.

TASK SIX: SELECTING TARGETS

Start: Beginning of Week Six
Finish: End of Week Seven

Purpose:

- to identify specific sectors, industries and firms which already exist in your municipality and will help achieve the objectives
- to identify new opportunities for the community
- to attract outside interests to your area

Steps:

a) Eliminate those sectors which are not wanted because of their negative potential impact.

b) Eliminate those sectors which would not locate here because of lack of market, transportation network, etc.

c) Determine which sectors make the most economic sense for your community and devote time, effort and money to target these candidate industries which you know have a reasonable chance of expanding or locating in your community.

d) Rank the target industries according to a "selection criteria" based on the objectives you established in **Task Five**.

e) Select the top sectors that represent the most potential. Keep your number of target sectors to ten or less.

f) Meet with the Steering Committee to present the objectives developed in **Task Five** and the specific sectors that will be targeted for growth as determined in the above steps. Invite the public to attend this meeting.

Tips:

- At your meeting with the Steering Committee and the invited public, allow plenty of time for discussion. Stress that their ideas are welcome and important to the process of achieving an effective strategy.

- Factors that companies consider when choosing a location include:

  a) availability of necessary materials or services
  b) location of markets (where they sell their goods or services)
  c) transportation networks and costs
  d) availability of appropriately skilled labour at acceptable costs
  e) land and construction costs
  f) site availability
  g) taxation (income, sales, real property), tariffs
  h) compatibility with surroundings
  i) community attractiveness (availability of services, schools, housing, shopping, recreation)
  j) climate
  k) personal preferences of the decision-maker
  l) local attitudes

  All other things being equal, a firm will choose a municipality that is inviting, helpful, and efficient over one that is not.

TASK SEVEN: IDENTIFY AND DESCRIBE ONGOING PROGRAMS

Start: Beginning of Week Seven
Finish: End of Week Eight

Purpose:

- to develop programs that will support existing entrepreneurs already in the municipality

- to identify and describe programs that will be required to promote, market and advertise the municipality to organizations outside the area

Steps:

a) Identify the types of programs that need to be put in place to achieve the "desired future".

b) Refer to the Community Economic Development Manual produced and distributed to all municipalities by the Ministry of Industry and Small Business Development for the "Provincial Municipal Partnership Program". This manual describes in detail various programs that give specific directions and tips. Contact: Ian Back, Ministry of Industry and Small Business Development, 387-0310.

Tips:

- The Community Economic Development Manual provides specific direction on various programs that will help shape the community's strategy.

TASK EIGHT: IDENTIFYING PROJECTS

Start: Beginning of Week Six
Finish: End of Week Nine

Purpose:

- to transform the present situation into an agreed-upon future
- to ensure accountability
- to ensure that action takes place in a timely fashion

Steps:

a) Design and implement the marketing and development programs that will be required on an ongoing basis.

b) Pursue the identified opportunities introducing the needed management systems, marketing tools and reporting techniques.

c) Document each project.

d) Meet with project directors to ensure understanding of objectives and responsibilities, how to proceed and what it will produce.

e) Meet with the Steering Committee to discuss the steps that must be undertaken to achieve the objectives.

Tips:

- Manage your projects. Assign a Project Director who will be responsible for monthly reports on the status of the projects with accountability for completing work on time and within budget. You may wish to refer to the Community Economic Development Manual for information on the types of project reporting systems that can be used to monitor the status of projects in a practical manner.
- Be realistic. Do not attempt to undertake projects or strategies for which the outcome is not within the control of the municipality.

- Focus your limited resources. It is highly recommended that a smaller number of projects be identified that have a greater potential for success. Don't try to complete projects without the needed resources.

- Take advantage of other programs. Be aware of the incentive programs offered by the federal and provincial governments. These programs can be used to partially fund many of the projects identified in this task.

- Update your strategy. At least once a year formally review your strategy and document any major changes that need to be made.

TASK NINE: DOCUMENT AND DISCUSS THE STRATEGY

Start: Beginning of Week One
Finish: End of Week Eleven

Purpose:

- to have a written summary of the process that has been followed to date to present to Council
- to obtain commitment to the strategy

Steps:

a) Prepare a draft strategy in accordance with the format suggested.

b) Use a one-page Executive Summary to provide a short description of the current situation.

c) Identify the key steps required to bring about the desired results.

d) Review the draft strategy with the Steering Committee.

e) Modify and prepare a final version of the strategy for presentation to Council.

f) Obtain approval from the Steering Committee.

Tips:

- Write the document as you proceed rather than waiting to the end of the project.

TASK TEN: OBTAINING COUNCIL'S APPROVAL FOR THE STRATEGY

Start: Beginning of Week Twelve
Finish: End of Week Twelve

Purpose:

- to ensure Council's understanding and committment to the strategy
- to obtain the resources necessary to implement the strategy

Steps:

a) Provide Council with the strategy several days prior to the formal presentation.

b) Obtain approval from Council at the presentation meeting and answer any questions.

c) Make a formal request to adopt the strategy as the municipality's official Economic Development Strategy.

Tips:

- Hold an informal reception for those who participated in the process, especially those who were interviewed and thank them for their efforts.

3.2 BASIC INFORMATION SOURCES

This section identifies potential sources of information to be used in the preparation and implementation of an Economic Development Strategy. Information is listed by source.

B.C. MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

The Ministry of Energy, Mines and Petroleum Resources has information available regarding the number of operating mines, employment, production and exploration.
Telephone: 387-5178 (Victoria)

1. **British Columbia Mineral Exploration Review**

   This is an annual publication summarizing exploration and development activities in the Geological Districts of British Columbia.

2. **Annual Report of the Ministry of Energy, Mines and Petroleum Resources**

   The annual report contains a list of current major operating mines and smelters in B.C., as well as a map of major mines and selected potential mines in British Columbia.

B.C. MINISTRY OF FORESTS

The B.C. Ministry of Forests and its branches publish a list of timber processing facilities and sawmills in B.C., by type of facility. Cross-reference this source with the **Manufacturer's Directory (5)**.
Telephone: 387-3628 (Victoria)

3. **Major Primary Timber Processing Facilities in B.C.**

   This is an annual publication which lists timber processing plants in the province which use logs as their main source of raw materials. No re-manufacturing plants are listed. Information about each facility includes: name, address, product, region, district, timber supply area, and capacity.

B.C. MINISTRY OF INDUSTRY AND SMALL BUSINESS DEVELOPMENT

The Ministry of Industry and Small Business Development collects and publishes business-related information.

Telephone: 387-4521 (Victoria)

4. **Inventory of Industrial Parks and Sites in British Columbia**

   The industrial sites are listed by community and the information provided for each site includes: name of park or site, zone, size, size of available area, minimum lot size, price range (if available), special features and the contact name, address and phone number. Municipalities should ensure that they are listed in this inventory and that the information is accurate (see also source 22).

5. **British Columbia Manufacturers' Directory**

   This Directory is a comprehensive list of manufacturers in British Columbia. Manufacturers are listed in three orders: alphabetically by name, alphabetically by product and by location. Information about each manufacturer includes: name, address, type of product and the number of employees. Note: sawmills and lumber manufacturers are not included in this directory as they are included in the directory of Major Primary Timber Processing Facilities (source 31).

Central Statistics Bureau

The Central Statistics Bureau at I.S.B.D. compiles and distributes data and estimates regarding population, income and other items.

Telephone: 387-4521 (Victoria)

6. **B.C. Municipal Population Estimates**

This is an annual publication of municipal, regional and provincial population estimates. The estimates are generally available in January for the previous year.

7. **B.C. Taxation Statistics**

This is a table containing the number of taxpayers in each income bracket, the total number of returns, the total income and the average income for the province, the regions and the municipalities. Note that there is a one to two year lag in the publication of this data (e.g. data made available in September 1985 is for the 1983 taxation year).

B.C. MINISTRY OF TOURISM

The B.C. Ministry of Tourism publishes a variety of reports and brochures annually related to various aspects of the tourist industry.

Telephone: 387-1566 (Victoria)

8. **British Columbia Accommodation Guide**

Published annually by the Ministry of Tourism, listing all approved tourist accommodation in B.C. by location. Data includes number and type of units (e.g. motel, campground), price, and operating season.

9. **Travel Agent's Manual: Package Tours**

Published annually by the B.C. Ministry of Tourism. This is a catalogue of package tours and inclusive holidays on which commission is paid.

10. **Tourism Highlights**

Published annually by the B.C. Ministry of Tourism, this is a summary of tourist statistics with information ranging from length of stay to expenditure breakdowns of visitors. These statistics are only available for the Tourism Regions, not for individual communities.

Available from: Queen's Printer
Telephone: 387-1901 (Victoria)

11. **Alberta Resident Travel Study, March, 1985**
British Columbia Resident Travel Study, October, 1985
Washington and Oregon Resident Travel Study, March 1985

These studies were commissioned by the Ministry of Tourism to assist tourism development. The studies include information about the travel patterns, methods of travel, reasons for travel, etc. of the residents of the study areas.
Published by the Ministry of Tourism.
Available from: Queen's Printer
Telephone: 387-1901 (Victoria)

BRITISH COLUMBIA AND YUKON CHAMBER OF MINES

The British Columbia and Yukon Chamber of Mines is a non-profit organization whose principal function is the collection and dissemination of information concerning mining and mineral exploration.
Telephone: 681-5328 (Vancouver)

12. **Mining Exploration and Development Review**

This is an annual publication summarizing current exploration and development activity of all the exploration companies in B.C.

13. **Mining Exploration Companies**

A list of companies prospecting for new mineral deposits in British Columbia, Yukon and Northwest Territories. This list is published in January or February of each year.

CANADIAN EMPLOYMENT AND IMMIGRATION COMMISSION (CEIC) REGIONAL ECONOMIC SERVICES BRANCH

The CEIC Regional Services Branch provides labour market and economic information to its offices and to the public for planning and forecasting purposes.
Telephone: 666-8168 (Vancouver)

14. **Major Projects: Industrial Expansion Policy and Technological Change to 1990, B.C. and Yukon Territory**

This publication lists all major proposed projects in B.C. and the Yukon by type of project (e.g. agriculture, mining). Information about each project includes location, industry, cost, status and general remarks. This is a good source of information for large scale projects with potentially large impacts on communities.

FEDERAL BUSINESS DEVELOPMENT BANK (F.B.D.B.)

The F.B.D.B. provides management counselling to the owners and managers of businesses. It maintains files and information on programs and services available to businesses.

15. **Automated Information Management (AIM)**

AIM is a computerized information system which contains information on government (provincial and federal) programs. The information available includes: a description of the program, eligibility, expiration date and a contact address.
Telephone: 666-7881 (Vancouver)

STATISTICS CANADA

Statistics Canada is a federal service which collects and analyses information regarding economic and social conditions. Statistics Canada is also responsible for conducting the Census of Canada and the Agriculture Census every 5 years.
Telephone: 666-3691 (Vancouver)

16. **Population**

Census counts are conducted every five years (e.g. 1976, 1981). The results of the 1986 Census are expected to be available by approximately mid-1987.

Census population data is available in published form for the following hierarchy of areas:

- Province
- Census Divisions (correspond to Regional District boundaries)
- Census Subdivisions (correspond to municipal boundaries in incorporated areas and usually to electoral area boundaries in unincorporated areas
- Census Tracts (subsets of urban areas within municipal boundaries)
- Enumeration Area (basic building block of Census data, usually including up to approximately 1000 people)

17. Labour Force

This data is also available for census years for the following areas: province, census divisions, census subdivisions and census tracts. The data is sorted by industry and and by occupation. Labour force data sorted by industry is generally more useful in analysing the relative strengths of various economic sectors. Note that the labour force data reflects the occupations of the residents of the area, not the number of jobs available in each industry for the area. Information regarding place of work (i.e. employment) is available only for census divisions and must be specially ordered.

18. Agriculture Census

The Agriculture Census is done every 5 years (e.g. 1976, 1981). The information is available at the provincial, census division and census subdivision levels and includes: number, type and size of farms, types of crops and types and number of livestock

OTHER SOURCES

19. Tax Rates for Municipalities, published by the Policy and Research Branch of the Ministry of Municipal Affairs

The list includes the municipal and regional tax rates for all property classes in all areas. This can be used to compare the property tax rates of potentially competitive locations.

20. B.C. R. & D.

This is a newsletter on research and development activity in B.C., published by the Discovery Foundation.
Telephone: 430-3533 (Burnaby).

21. Canada Mortgage and Housing

This federal agency supplies regular data on housing starts and residential vacancy rates.
Telephone: 666-2516 (Vancouver).

22. B.C. Business Magazine and Canadian Business Magazine

Both of these periodicals contain articles about business and economic development trends. They also occasionally publish special features on industrial parks; communities would ensure that they are included and that their entries are complete and accurate. (See also source 4).

NEWSPAPERS

Despite the increasing amount of published statistical information available, the newspapers are still the best way to keep in touch with trends throughout the province and country. While the papers do not provide depth, they provide the news that can trigger more research. In addition to the Sun and the Province, the Financial Post newspaper and magazine are good sources. The Journal of Commerce is a specialized bi-weekly "newspaper" that lists all construction projects proposed or underway in Western Canada. The Journal of Commerce sometimes carries special features on industrial development and industrial parks.

LOCALLY AVAILABLE MATERIAL

The above sources are generally available for all areas in B.C. and can be used to build at least a general understanding of local economic conditions and prospects.

In addition, in most communities there are other sources of information that contain detailed local information. These include:

- the community plan
- the community economic profile
- regional profiles or studies prepared by government agencies
- market and financial feasibility studies prepared by or for government agencies, regarding specific development proposals

Note:

The sources listed in this chapter will yield an intimidating stack of reports and figures. In preparing the strategy, the important task is to glean the essentials from these sources and summarize their implications, not simply consolidate and repeat the data.

Keep concise notes of the main implications of the data presented in the documents reviewed. Always aim to translate the information into a statement of a strength that can be exploited, a weakness that must be corrected or an opportunity that can be pursued. **After all, the strategy is an action plan, not a technical background.**

FIELDWORK

The Economic Development Strategy must be prepared by someone with a good knowledge of the community's development patterns, transportation networks, and basic attractiveness.

Every participant should spend time in the field to make sure his "mental map" of the community is accurate.

The Field Work Program should include these steps:

1. Drive out of the community and then approach it via all main entrances, as a visitor would. Evaluate attractiveness, first impressions, signage, ease of access and the locational advantages and disadvantages relative to potentially competitive areas in the region.

2. Inspect all commercial and industrial areas. Evaluate the type and quality of development and business in each area. Is available land accessible, visible, well-signed? Would a potential purchaser be sufficiently attracted to seek more information, or be discouraged? Is there an image of vitality, or does the area appear depressed or uninteresting?

3. Record the names and telephone numbers of real estate agents who market properties (vacant sites or vacant spaces), so they can be contacted later.

4. Inspect all places where information is given out to visitors, developers or prospective businesses. Are these places easy to find and are they attractive? Is material well displayed and useful? Is staff informed and helpful? Is the overall impression "this place has its act together" or "these people are muddled and incompetent?"

5. Evaluate transportation networks with the help of maps. Are highway, rail, water and air systems efficient, accessible, attractive?

3.3 SAMPLE INTERVIEW OUTLINES

This section contains sample outlines that can be used to guide interviews with representatives of:

a) Industries
b) Tourism Businesses
c) Realtors/Developers
d) Organizations
e) Institutions/Government Agencies

Assure the interviewee that transcripts or notes from the interview will remain confidential. The results should be used anonymously or in summary form. As a general rule, interview a cross-section of people representing the full spectrum of economic sectors and perspectives. The total number of interviews conducted is likely to be 40 to 50, except in very small communities.

a) Industries

1. Which economic sector is the company involved in?

2. What is the company's role in the economy?

   a) number of employees (by type)
   b) products/services sold
   c) location of major markets

3. Reason for selecting present location? (What alternatives are considered if new company or location?)

4. Problems with present location.

5. Anticipated changes:

   a) size
   b) location
   c) product line
   d) employment

6. List of goods or services currently imported that the company would consider purchasing locally if available.

7. List of items/services not sold locally due to lack of local market.

8. Suggested changes that would improve the local business climate.

9. Experience with municipal government policies, activity, staff, etc.

10. Suggested priorities for municipal involvement in economic development.

b) Tourism Business

1. Business Profile:

   a) general description
   b) number of employees (Full Time, Part Time, Seasonal)
   c) occupancy rates or attendance (trends)
   d) origin of visitors (i.e. location of major market)
   e) seasonality
   f) marketing program (what, where, how much money)

2. Reason for present location? (What alternatives considered if new company or location?)

3. Problems with location.

4. Anticipated changes.

   a) size
   b) location
   c) nature of attraction/service
   d) employment
   e) marketing

5. List of goods or services currently imported that the company would consider purchasing locally if available.

6. Suggested changes that would improve the local business climate.

7. Experience with municipal government policies, activities, staff, etc.

8. Suggested priorities for municipal involvement in economic development.

c) Realtors/Developers

1. If applicable, details on specific projects or sites:

   a) location/legal address
   b) zoning
   c) services
   d) total size
   e) parcels (acres) available
   f) ask price/sell price
   g) length of time on market
   h) level of interest shown

2. Opinion regarding overall status of market:

   a) amount of product
   b) general activity
   c) prices

3. Profile of most purchasers/lessees.

4. Reasons why people choose to locate in the municipality and reasons why some decide not to locate in the municipality.

5. Reasons why people select a particular location in the municipality.

6. List of issues/factors that may limit local economic growth.

7. List of factors that strengthen/stimulate local economic conditions.

8. Suggested changes that would improve local economic conditions.

9. Experience with municipal government policies, activities, staff, etc.

10. Suggested priorities for municipal involvement in economic development.

d) Organizations

1. If applicable, what is the membership profile.

2. What is the organization's role in the economy?

   a) products/services provided
   b) involvement in some aspect of economic development

3. List of issues/factors that may limit local economic growth.

4. List of factors that stimulate local economic conditions.

5. Suggested changes that would improve the local business climate.

6. Experience with municipal government, policies, activities, staff, etc.

7. Suggested priorities for municipal involvement in economic development.

e) Institutions/Government Agencies

1. What is the institution's role in the economy?

   a) products/services provided
   b) involvement in economic development
   c) employment
   d) programs and projects

2. Anticipated changes:

   a) size
   b) location
   c) products/services provided
   d) employment
   e) programs and projects

3. List of issues/factors that may limit local economic growth.

4. List factors that stimulate local economic conditions.

5. Suggested changes that would improve the local business climate.

6. Suggested priorities for municipal involvement in economic development.

3.4 PUTTING YOUR STRATEGY DOCUMENT TOGETHER

IN ORDER TO PRESENT YOUR STRATEGY IN THE MOST EFFECTIVE MANNER, IT SHOULD CONTAIN THE FOLLOWING SECTIONS.

Covering Letter

- written by the authors of the strategy and addressed to the Municipal Council thanking the various participants in the exercise and seeking support for the strategy from Council members. Specify who should be contacted for questions.

Executive Summary

- summarize the municipality's major strengths and weaknesses, the key opportunities and the specific actions required.

- use a one-page "Transformation Chart" to illustrate the current status, the desired future and the projects required to transform the current status into the agreed-upon vision of the municipality.

- assign and name individuals to lead the various projects. This chart can be used to monitor the implementation and progress of the strategy. It can also be used to present the strategy to potential investors and outsiders who may not have time to digest the entire document.

Chapter One - Introduction

- summarize why the strategy is needed, who completed it and the basic process.

- explain the community's current status in broad terms including its financial state, the general physical state and the current local and regional economic position.

Chapter Two: Strengths and Weaknesses

- describe the key features of the municipality in terms of it's strengths and weaknesses from an economic point of view. **Use clear and simple language.**

Chapter Three: Overall Economic Objectives

- describe the broad economic objectives for the municipality, taking into account the overall community plan, the wishes of Council, citizens and the recommendations of the Project Team.

- this chapter represents the vision of the community's future.

Chapter Four: Overall Marketing Strategy

- this is the summary of the overall approach to be taken by the community in marketing itself to existing and potential investors. It identifies the overall theme for the community.

Chapter Five: Target Sectors

- this specifies opportunities for your municipality in terms of expansion of existing enterprises and attracting new enterprises.

Chapter Six: Programs

- describe the programs of support to existing enterprises and those needed to promote new business.

Chapter Seven: Management Systems

- describe the organizational structure and management systems needed to implement the strategy, keep it on course and evaluate its success.

Chapter Eight: Action Steps/Projects

- describe the steps that must be taken to: address the weaknesses, take advantage of strengths, pursue the target sectors, implement marketing strategy, introduce program management systems and organizational structures.

PART FOUR: PROMOTING YOUR COMMUNITY

4.1 PROMOTING YOUR COMMUNITY

You have analysed the current local economic conditions and you feel comfortable with your strategy; now is the time for the Steering Committee to vigorously pursue the promotion of your community to potential investors inside and outside the community. This requires a concerted municipal action relying upon community involvement and cooperation with all levels of government to help implement your strategy.

The provincial government has made provisions for cost-sharing program grants for:

- municipal economic development officers
- expenses incurred by local volunteer economic development committees
- economic development promotions
- market research on economic development

4.2 MUNICIPAL ADVERTISING, PROMOTION AND PUBLIC RELATIONS PROGRAMS

A municipal advertising, promotion and public relations program can include many elements, such as:

- direct personal contact by community representatives
- printed brochures and information packages
- signage
- advertisements in magazines, newspapers and other media
- special events (e.g. festivals, floats in parades)

Communities must ensure that these elements are coordinated, presenting a consistent recognizable image to the world, and that they are cost-effective, getting the maximum return on expenditures.

Advertising and promotion are often the largest municipal economic development expenditures, other than staff, and should be managed carefully.

This section provides suggestions for three main components of the overall advertising/promotion program: printed materials, advertisements, and general public relations.

a) PRINTED MATERIALS

Printing brochures and other promotional materials is expensive and should be approached carefully.

The greatest mistake many communities make is printing too many general brochures, with no particular target or purpose in mind. Sometimes the municipality, the Chamber of Commerce and the Visitors and Convention Bureau are all printing similar brochures, resulting in a waste of funds.

Three steps should be followed in preparing printed promotional materials:

1. Review all existing materials and attempt to eliminate any duplication of effort by various groups.

2. Define the purpose of promotional materials and identify the target audiences. Examples include:
    - providing useful information to visitors (accommodations, activities, facilities)
    - providing information on industrial land and availability to prospective firms
    - establishing the community in the minds of senior government officials (e.g. Hometown, the electronics manufacturing centre of B.C.)

3. Design a set of promotional materials that meets the chosen objectives at the least cost.

The "basic" set of printed promotional materials for most communities is likely to include:

1. Information Folder

    An attractive, general purpose folder to contain copies of specific information requested by the recipient (e.g. up-to-date statistical data that is photocopied).

2. Investment Promotion Brochure

    This should convey the community's attractiveness as a place to invest or start a business. This brochure should not contain a lot of information that will quickly be out of date. Content should include:
    - location
    - transportation links
    - size
    - structure of economy
    - names of significant businesses in the community
    - environment, amenities
    - information on municipal economic development and other departments and how to obtain information and assistance

    The Ministry of Municipal Affairs offers to fund the publishing costs of such a brochure. Call 387-4089 for details.

2. Visitor-Oriented Brochure

This should be aimed at visitors and should contain as much specific information as possible, including:

- how to get there (maps, transport alternatives)
- where to stay (available accommodation)
- what to do (facilities, natural attraction, tours/charters

This brochure could also contain discount coupons for local businesses, separate from the main body of text and photos. The brochure must remain attractive and not dominated by a hodge-podge of advertising).

3. Industrial Information Package

This package should not be a brochure. It should be designed as a crisp, easily updated, easily reproduced package that can be inserted in the folder with the general purpose brochures (see above).

This package could be a cooperative venture with local landowners or major industries. It should include:

- lists of industries already in the community
- maps of industrial areas
- information on available land (location, size, price, contacts); this could be assembled by Realtors and provided as a package to the municipality
- transportation information

b) ADVERTISEMENTS

Many municipalities pay for advertisements in national newspapers and trade magazines. These ads are expensive and not always successful in leading to increased industrial or other types of development.

For small and medium-sized communities (under 100,000 people), the following guides are offered:

1. First make maximum use of free "advertising". Press releases about new projects or firms, and feature articles in trade and travel magazines can provide publicity that contains more specific and detailed information than a typical ad can.

2. Ensure that the community is included in all provincial and national directories of industrial land.

3. Consider realistic industrial prospects carefully before launching an expensive advertising campaign. If the total rate of development is likely to be slow, or if the range of prospects is relatively narrow, funds are likely to be more effective if used for direct contact with selected firms rather than for blanket advertising. Firms do not tend to pick new locations out of magazines or newspapers. They do sometimes respond to good quality direct contact and to a warm, efficient, helpful reception by municipal staff.

c) GENERAL PUBLIC RELATIONS

All municipalities should have a public relations program. Some municipalities go out of their way to interact with the public in a positive, efficient and helpful way, while others do not really think about how they communicate with the public. The latter will not be effective in maintaining a sound public image.

In establishing an effective public relations program, a municipality should strive to present a positive municipal attitude. This type of attitude is conveyed primarily through:

- cheerful and helpful telephone reception
- helpful, receptive and knowledgeable counter staff
- attractive and inviting reception areas
- high quality information materials

Steps a municipality should take to achieve a positive public relations program include:

1. Emphasize Council and senior staff must be good role models with positive public relations ability.
2. Hold staff training seminars to:

    - keep staff informed about departmental and individual responsibilities as well as municipal processes

    - reinforce positive attitudes and teach techniques for dealing with negative or offensive people

    - do "post mortems" on problem encounters to avoid repeats in the future

3. Ensure that recruitment procedures are designed to select people with good interpersonal skills for positions that involve public contact.

4. Initiate and foster positive relationships with local economic development organizations, clubs, and private industry (particularly realtors and developers).

5. Ensure that there is systematic follow-up on economic development leads or inquiries (this includes a system of referring leads to other organizations, etc.).

6. Initiate direct contacts with special prospects.

7. Ensure that the municipality is represented at important trade shows. The municipality does not have to send a person. It can enlist the assistance of provincial or other senior government officials who may be attending for the distribution of printed material.

SAMPLE LETTER (To Follow-up Telephone Contact)

MUNICIPAL LETTERHEAD

Dear *Community Leader*:

Re: Your Assistance in Preparing an Economic Development Strategy for *Our Town, B.C.*

Thank you for agreeing to be one of the community leaders who will participate in the preparation of *Our Town's* Economic Development Strategy. Your cooperation can help Council generate and implement practical ideas for stimulating the type of economic growth we want in our area.

We will be meeting in small groups to get the information, opinions and ideas necessary to build a sound Economic Strategy. In preparation for these meetings, we ask you to think about the following questions:

- Why should we be attempting to foster economic development?
- From an economic point of view, what are the area's strengths and weaknesses?
- What type of development activity should be supported and stimulated?
  Why? Why not?
- What should *Our Town* be doing to support its economic base or to attract new development?
- What role would you like to play in stimulating economic development?

Please note that you are requested to meet your colleagues.

Date:

Time:

Place:

We thank you for your cooperation and look forward to your contributions!

Yours truly,

Mayor